



Memo

Date: September 3, 2021
To: Honorable Mayor Armitage; City Council
From: Erin LaPere, City Manager
Re: Resolution to authorize sale of 220 W Shaw

The City has received an offer to purchase 220 W Shaw, a vacant residential parcel that was acquired through tax foreclosure by the Michigan Treasury. The offer was submitted by Randy Jewell, who in addition to being a city resident also serves as the City Assessor. Given the relationship to the City, I conferred with Attorney Hitch who has provided his written opinion on the matter and has been provided for Council's review.

In researching the history on this property, I discovered it has been owned by the city for 10+ years, and prior to taking ownership the City had a number of code enforcement/blight issues wherein we invoked our dangerous buildings ordinance. The only other offer I was able to find easily was received by the city was in 2019 for \$14,000 but that offer was subsequently withdrawn by the buyer prior to the sale.

The property is vacant, zoned residential, and the city does not have any short- or long-term plans for use of the property. The city is currently responsible for maintaining the site, such as mowing the grass and sidewalk snow removal. In addition, should it revert to private ownership it would return to the tax rolls at which point we could resume collecting property taxes.

Council is not required to bid out the sale of this property, however it may consider whether the purchase price is appropriate and it could consider engaging a real estate professional for analysis and marketing of the site to attempt to generate more interest if it felt the expenses would be offset by gains in sales prices. It should be noted, that any revenue generated by a sale price above the city's costs would revert to the Michigan Treasury due to the acquisition through tax foreclosure.

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